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February 2, 2026

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Name of representative: Yoshihiro Uozumi, President
Listing: Prime of Tokyo Stock Exchange and
Premier of Nagoya Stock Exchange
Securities code: 7241
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Notice Concerning Capital Reduction of Consolidated Subsidiary

FUTABA INDUSTRIAL CO., LTD. (the “Company”) has decided at a meeting of the Board of Directors held on February 2, 2026 to reduce the capital of its consolidated subsidiary in China, Dongguan Futaba Metal Products Co., Ltd. (hereinafter referred to as Dongguan Futaba). The Company hereby announces that, as a result of this capital reduction, Dongguan Futaba’s share capital will fall below 10% of the Company’s share capital, meaning that it will no longer qualify as the Company’s specified subsidiary. The details are described below.

1. Reason for the capital reduction

Dongguan Futaba is a company engaged in the manufacture and sale of automotive and other vehicle parts. Due to its surplus funds and the lack of any anticipated major future investments, the Company has decided to reduce Dongguan Futaba’s capital to enhance capital efficiency within the Group.

2. Overview of the subsidiary to be transferred (Dongguan Futaba)

(1) Name	Dongguan Futaba Metal Products Co., Ltd.
(2) Location	Dongguan City, Guangdong, People’s Republic of China
(3) Job title and name of representative	Chairman, Motohiko Nakamura
(4) Description of business	Manufacture and sale of automotive and other vehicle parts
(5) Share capital before capital reduction	USD 23.29 million
(6) Date of establishment	August 1, 2005
(7) Major shareholder and ownership ratio	The Company 100.00%

3. Outline of the capital reduction

(1) Amount of share capital to be reduced

The amount of share capital will be reduced by USD 17.14 million (planned) from USD 23.29 million, resulting in USD 6.15 million (planned).

(2) Method of capital reduction

The Company will maintain its equity interest while reducing the share capital for consideration.

4. Schedule for the capital reduction

(1) Date of resolution by the Board of Directors of the Company	February 2, 2026
(2) Effective date of capital reduction	Late June 2026 (planned)

5. Impact on financial results

The Company anticipates that the impact on consolidated financial results for the fiscal year ending March 31, 2026 will be minimal. However, should any matters requiring disclosure arise, the Company will promptly make an announcement.